

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, June 26, 1996

**STATE RELOCATABLE CLASSROOM PROGRAM**

PURPOSE OF REPORT

1. To report on the status of the inventory for the State Relocatable Classroom Program.
2. To request authorization to acquire 400 new relocatable classrooms and contract for relocation services.
3. To establish an allowance to provide furniture and equipment and utility hookups for these buildings.

BACKGROUND

Current law provides that the State Allocation Board (SAB) may acquire State relocatable classrooms for eligible districts and/or place relocatable classrooms in inventory until such time as needed. The SAB is also authorized to provide furnishings and utility hookups for these classrooms. At present, there are no buildings remaining in inventory and all buildings under contract have been assigned.

Currently, OPSC staff contracts with the Office of Procurement for the purchase and delivery of furniture and equipment (F&E) for the districts. By contrast, districts contract for services for utility hookups, architectural/inspection services and fund the fees charged by the Division of the State Architect. Subsequently, invoices for these services are submitted and reimbursed by the SAB/OPSC.

STAFF COMMENTS

Cost for a relocatable building including installation, furniture and equipment and utility hookups is \$37,000 per unit. The cost of relocating an existing building is \$17,000 per unit. Based on past history, the OPSC anticipates a need for 400 new buildings and the relocation of 400 existing buildings for the next two years.

The State Allocation Board Implementation Committee would prefer to have the Board only approve a maximum funding of \$7.5 million to be used for the purchase of new buildings and the relocation of existing buildings. The Committee requests discussions regarding the remaining purchases be addressed at a future SAB meeting. This would allow adequate time for discussions regarding the distribution of remaining Prop 203 funds to be held at one time and not in fragments.

The loss of staff has caused delays in the procurement and delivery of F&E for the portable buildings to be purchased or relocated. Staff proposes a change in the F&E process in order to conform to the other expenditure processes utilized for installation expenses. Under this concept, districts would be authorized the maximum allowance for F&E and installation as shown on Attachment A.

RECOMMENDATIONS

1. Reserve \$14,800,000 for the purchase and set-up costs of 400 new relocatable classrooms.
2. Authorize staff to purchase the 400 new units as needed over the next two years.
3. Reserve \$6,800,000 for the relocation of 400 classrooms.
4. Authorize the reimbursement to districts of expenditures for all installation costs, furniture and equipment purchase and deliveries.

BOARD ACTION

In considering this Item, the Board adopted staff recommendations including the adjustment to Recommendation No. 4 to read as follows:

4. Authorize the allowance to districts of expenditures for all installation costs, furniture and equipment purchase and deliveries.

Further, the Board directed staff to proceed with the purchase of 200 buildings at this time. Staff will notify the Board when the need arises for additional buildings.

ATTACHMENT AF&E and Utility Costs Per Building

<u>Costs Incurred</u>	<u>Allowances</u>
F & E	\$ 2,000
Electrical Connections	3,500
Fire Alarm Connections	1,000
Architect Fee	2,000
Inspection Fee	500
DSA Fees	<u>450</u>
TOTAL	<u>\$9,450</u>

NOTE: An additional cost of \$6,200 for plumbing may be incurred for Infant/Child Care buildings.